Summary of the German Government's 2005 Report on Military Equipment Exports

With reference to Section V of the "Political Principles of the Government of the Federal Republic of Germany for the Export of War Weapons and Other Military Equipment" as amended on 19 January 2000, the German government is pleased to submit herewith its <u>seventh</u> Report on Military Equipment Exports, covering the year 2005.

During the reporting year, <u>effective war weapon exports</u> totaled €1.6 billion (2004: €1.13 billion). The share of exports going to the EU, NATO, and countries with NATO-equivalent status stood at roughly 64 % (2004: 71 %). Classic developing countries accounted for approximately 12.6 % of the total value of all individual export licenses issued in 2005 (2004: 24 %).

Statistics have been compiled only from the applications filed for export licenses, since there are presently no statistics on actual exports of the full range of military equipment as covered by an internationally largely harmonized common list of military equipment which, alongside war weapons, also includes diverse items of military equipment such as pistols and hunting and sporting weapons. This is due to the different systematic approaches taken by the EU's Common List of Exports and the Eurostat list of goods; unlike the situation with war weapons, companies are not required to report actual exports of other military equipment. Experience shows that figures for military equipment licensed for export are normally higher than statistics compiled for military equipment actually exported on the basis of such licenses.

In the year under report, <u>single-transaction export licenses</u> for military equipment totaled approximately €4.2 billion (2004: approximately €3.8 billion). Of this amount, 61 % was accounted for by countries from the EU and NATO and countries with NATO-equivalent status, and 39 % by third countries (2004: 72 % and 28 % respectively). Classic developing countries accounted for 22 % of the overall value of all individual export licenses (2004: 11 %). The value of the <u>collective licenses</u> granted for exports in connection with defense cooperation between EU and NATO partners amounted to roughly €2 billion during the reporting year (2004: €2.4 billion).

n contrast to previous years, the 2005 Report on Military Equipment Exports does not include riminal prosecution statistics. These statistical data are only available at a relatively late stage to that their inclusion would delay the publication of the overall report.